The Renaissance Consulting Group, Inc.
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Company Profile **14 December 2001**

Opportunity: Manufacturer of injection and blow molded plastic components.

Organisation: Public limited company

Investment: 51.00% of company is for sale and represented by The Renaissance Consulting Group, Inc. (RCG). The owner represented by RCG is willing to gather further shares from other shareholders on behalf of an interested buyer should that be of interest.

Product Range: Annual production totals over 3200 tons (5000 ton capacity) of injection and blow molded plastics. Of this, 60% is injection molded (capable of up to 3500 grams per piece), and 40% is blow molded (up to 120 liters per piece). The majority of these products are containers used in the paint and chemical industries, but are also used in the food processing and agricultural industries. The automotive industry and electrical components industry are relatively new product markets but are expanding. Six of the company's products have received the "A Test" required for chemical use. Company has also obtained ISO 9001 certificate for quality.

Sales and Markets: Sales were 1.229 billion Slovenian Tolars ($5.461 million) in 2000, growing by 6 and 5% in nominal Tolar terms for the last two years respectively. The Managing Director looks for that growth figure to be above 10% in real terms in the future. Exports represent 22.7% of this sales figure and that too is expected to grow due to the reopening of the former Yugoslavia markets, the food and agricultural markets being prevalent in these areas. There is a seasonal component to sales due to a large percentage of the production serving the paint industry.

Strengths: The company competes on value, producing a quality product at a reasonable price compared to the competition. Also the ability to satisfy demand, which can be difficult for some smaller competitors. Customer satisfaction is high. New emphasis on the company's own R & D are expected to improve value and satisfaction. As a commodity product, this price remains the key buying factor for most customers. Service and innovation offer the main areas for differentiation and improved value.

Competition: Most competitors manufacturing in Slovenia are very small independent producers with one or two machines. There is a wide range of competition in the European market with Germany being the major producer. Transportation costs can effect the potential export markets. Though the company is near a major railway, road transport carries almost all of the product deliveries.

Personnel: The company currently has over 113 employees, with this number steadily reducing by retirement. A practice of not replacing retiring workers has been in place for the last 4 years. Company is at 80% capacity running three shifts, and weekends in the high season.

Expansion Program: Management would like to invest 2-3 million DEM over the next two years to improve blow molding capabilities which are aging, and one injection molding machine.

Buyer Strategies: There are several ways a buyer could take advantage of this investment opportunity. The Deputy Director, expected to replace the Managing Director as of 2002, has proposed a program of increased sales and marketing efforts, along with cost cutting. He is benchmarking EU productivity levels and sees the potential for up to 30% improvement in this area.

Financial Data (Euro '000s):	**1996**	**1997**	**1998**	**1999**	**2000**
Sales	5,562	6,115	5,917	6,009	5,927
EBITDA	580	649	654	889	639
Depreciation	336	396	442	531	477
Net Income	140	21	116	191	11
Fixed Assets	3,000	3,037	3,077	3,252	3,203
Total Long Term Assets	3,253	3,250	3,297	3,468	3,395
Inventories	866	799	824	873	847
Accounts Receivable	584	722	568	881	1,011
Cash and Equivalents	378	115	103	199	180
Total Short Term Assets	1,828	1,636	1,495	1,953	2,038
Total Assets	5,081	4,887	4,792	5,422	5,433
Equity	2,595	2,631	2,896	3,147	3,208
Long Term Debt	1,194	889	627	730	701
Short Term Operating Debt	509	562	591	869	926
Short Term Financial Debt	784	805	678	675	598
Total Liabilities	5,081	4,887	4,792	5,422	5,433

**financial information is presented in Slovenian Accounting Standards*
**data is in Euro thousands, but is not fully representative of the company's activity based on the declining SIT/Euro exchange rate*

EBITDA decreased in 2000 mainly due to the rise in cost of materials because of the increase in world oil prices and therefore an increase in the cost of petroleum based products.